

Agriculture and Health Nexus: Developing Country Consumers' Acceptance of Biofortified Foods

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Global Micronutrient Deficiency

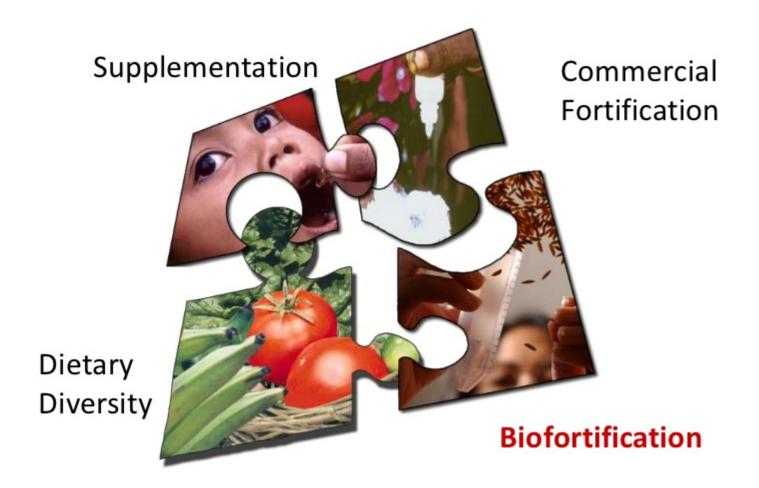
- Vitamin A deficiency is a public health problem in more than half of all countries
 - 250 million preschool children
 - 250 000 to 500 000 become blind yearly

 About 40% of preschool children in developing countries are estimated to be anaemic

Anaemia contributes to 20% of all maternal deaths



Approaches to hidden hunger





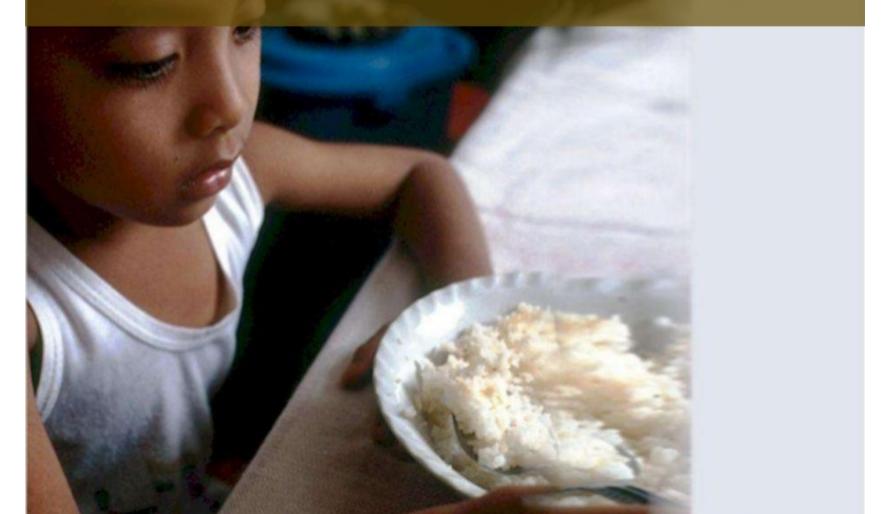
Biofortification

Biofortification-breeding food crops that are more nutritious





Targeted: poor people eat staples





Planting Materials



Biofortified Crops for Asia



Pearl Millet Iron (Zinc) India



Rice Zinc Bangladesh, India



Wheat Zinc India, Pakistan



Africa

Biofortified Crops for Africa



Cassava Provitamin A DR Congo, Nigeria



Beans Iron DR Congo, Rwanda



Maize Provitamin A Zambia



Sweet Potato Provitamin A Mozambique, Uganda



First Challenge

Nutrition Challenge

Demonstrate the ability of biofortified crops to have an **impact** on the nutritional and health status of the **target population**

Bioavailability studies

Retention studies

Efficacy trials

Impact Evaluation

Diagnostic studies

Consumer Acceptance



REU Project



Reaching End Users (REU) Orange Fleshed Sweet Potato Project





95

Second Challenge

 Vitamin A crops change color due to betacarotene content

 Will farm households prefer these crops vis-avis conventional varieties?

 Will target consumers in developing countries be willing to pay a premium for biofortified crops?



Second Challenge



What are the strategies to market and promote biofortified crops?

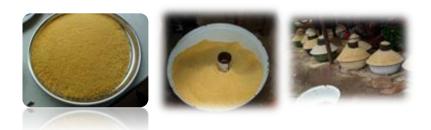
- Should we provide nutrition information?
- In which way? (information content: scare vs. motivational tactics, long vs. short messages)
- How should we give the information? (Radio, community leaders)
- At what frequency should the information be provided?
- Should we include political leaders' endorsement?

Minimize Cost | Maximize Impact 7 Countries | 8 Studies | 5 crops



Vitamin A Crops





Vitamin A Yellow Cassava: Nigeria, DRC



Vitamin A Orange Maize: Zambia, Ghana, Nigeria



Orange Fleshed Sweet Potato: Uganda, Mozambique



Iron Crops



Iron Pearl Millet: India



Iron beans: Rwanda, DRC, Guatemala



Methods

- Experimental Economics Incentive compatible mechanisms such as:
 - Revealed choice experiment: real good | choice
 - BDM: real good|real money in simulated market
 - Nth price auction: n − 1 highest bidder pays nth highest bid (market price)

Food Sciences:

- Hedonic testing
- Sensory Evaluation

Key attributes tested include color, taste, texture, aroma, cooking time, overnight keeping quality and overall liking



Summary of Hedonic testing & WTP Studies

| Country | Biofortified food | Sample size | Test setting* | WTP method** | Treatments | Participation fee | Year |
|-----------|-------------------------------------|----------------|---------------------------------------|-------------------|--|----------------------------------|------|
| Uganda | OSP | 467 | CLT - Rural | RCE | Nutrition information | Given | 2006 |
| | | 467 | CLT - Rural | HCE | Nutrition information Nutrition information and cheap talk | Given | 2006 |
| Zambia | vitamin A maize nshima | 273 | HUT - Rural | RCE | Nutrition information through simulated radio message Nutrition information through community leader | Given | 2007 |
| | | 205 | CLT – Rural | RCE | Nutrition information through simulated radio message | Given | 2007 |
| Ghana | vitamin A maize | 288 | CLT - Rural | RCE | Nutrition information Given - var | | 2008 |
| | kenkey | 128 | CLT - Rural | nth price auction | Nutrition information Given | | 2008 |
| | | 289 | CLT - Rural | BDM | utrition information Given - varied | | 2008 |
| Nigeria | vitamin A cassava <i>gari</i> | 671 | CLT - Rural | BDM | Nutrition information and delivery by federal authority Nutrition information and delivery by international authority Not given- out of pocket payment | | 2011 |
| India | Iron pearl millet bakhri | 452 | CLT - Rural | BDM | Nutrition information and state level certification and branding Not given- out of pocket payment | | 2012 |
| Rwanda | Iron beans | 578 | 578 HUT - Rural BDM | | Nutrition information - short and positive Nutrition information - short, positive and endorsement Nutrition information - long positive Nutrition information - long, positive and endorsement | Not given- out of pocket payment | 2013 |
| | | 572 | HUT - Rural | BDM | Nutrition information - motivate, listen once Nutrition information - motivate, listen thrice Nutrition information - scare, listen once Nutrition information - scare, listen thrice | Not given- out of pocket payment | 2013 |
| | | 399 | CLT – Urban retail market | BDM | Nutrition information – motivate Nutrition information - scare | Not given- out of pocket payment | 2013 |
| | | 261 | CLT – Urban wholesale market | BDM | Nutrition information | Not given- out of pocket payment | 2013 |
| Guatemala | Iron beans | 360 | HUT - Rural | BDM | Nutrition information – listen once Nutrition information – listen thrice Not given- out pocket payme | | 2013 |



WTP/Premium Estimations

- Simple difference
- OLS/D-I-D
- Random parameter logit model
- Conditional logit model
- Random effect GLS/Tobit model
- Interval censored model

 Accounted for: nonpayment, lexicographical preferences, endowment effect, convergent validity between RCE & experimental auction, etc.



Summary of Hedonic Testing Results

| Country | Biofortifie | Control hedonic comparison | Treatment hedonic comparison of | |
|-----------|-------------|--------------------------------|------------------------------------|--|
| | d food | of food products | food products | |
| Uganda | OSP | OSP preferred to local | No additional effect | |
| | | varieties | | |
| Zambia | vitamin A | No difference in preferences | Vitamin A maize preferred in both | |
| | maize | in both HUT and CLT | HUT and CLT | |
| | nshima | | | |
| Ghana | vitamin A | Variation in preferences | No additional effect | |
| | maize | across districts | | |
| | kenkey | | | |
| Nigeria | vitamin A | Local preferred in Imo and | Deep yellow preferred in Imo and | |
| | cassava | light yellow vitamin A | both vitamin A cassava varieties | |
| | gari | cassava preferred in Oyo | preferred in Oyo | |
| India | Iron pearl | Iron pearl millet preferred to | Preference for iron pearl millet | |
| | millet | local varieties | increases | |
| | bakhri | | No difference of certification and | |
| | | | branding authority | |
| Rwanda | Iron beans | One iron bean variety is | Overall increased preference for | |
| | | preferred to local and local | iron beans, effect size and | |
| | | is preferred over another | significance differs across | |
| | | iron bean variety | treatments | |
| Guatemala | Iron beans | Iron bean preferred | No additional effect | |



Summary of WTP Results (1)

| Country | try Biofortified Control WTP for | | Treatment WTP for biofortified | Effect of |
|---------|----------------------------------|---------------------------|---------------------------------|--------------|
| | food | biofortified products | products | treatment |
| Uganda | OSP | No significant difference | 25% premium for OSP compared | Information: |
| | | | to white local variety | Yes |
| Zambia | vitamin A | No significant difference | 8-23% (depending on the test | Information: |
| | maize | | setting, information source and | Yes |
| | nshima | | estimation model) premium for | Source of |
| | | | vitamin A maize compared to | Information: |
| | | | white local | Yes |
| Ghana | vitamin A | 15-20% discount for | 25-50% (depending on WTP | Information: |
| | maize | vitamin A maize | method) premium for vitamin A | Yes |
| | kenkey | compared to white local | maize compared to white local | |
| | | variety | variety | |
| Nigeria | vitamin A | In Imo state 14-28% | In Imo state 10-19% (depending | Information |
| | cassava | (depending on variety) | on variety and delivery method) | Yes: |
| | gari | discount for vitamin A | premium for vitamin A cassava | Planting |
| | | cassava compared to | products compared to local | Material |
| | | local | variety | Delivery |
| | | In Oyo state 9% discount | In Oyo state 20-28% (depending | method: No |
| | | to 6% premium | on the variety and delivery | |
| | | (depending on variety) | method) premium for vitamin A | |
| | | for vitamin A cassava | cassava products compared to | |
| | | compared to local | local | |



Summary of WTP Results (2)

| Country | Biofortified food | Control WTP for biofortified products | Treatment WTP for biofortified products | Effect of treatment |
|-----------|--------------------------------|---|--|---|
| India | Iron pearl millet bakhri | 6% premium for iron pearl millet compared to local | 29-32% (depending on the certification authority and branding) premium for iron pearl millet compared to local | Information: Yes Certification authority: Yes Branding type: Yes |
| Rwanda | Iron beans | In rural areas, 13% discount to 8% premium (depending on the variety and location) for iron beans compared to local In urban area, 10% premium for iron beans compared to local | In rural area, 9-17% (depending on information content, frequency and length) premium for iron beans compared to local In urban area, 6-20% (depending on the variety and information content) premium for iron bean compared to local | Information: Yes Information Frequency: Yes Information Length: No Scare vs. Motivate Info: No District Officer's Endorsement: No |
| Guatemala | Iron beans | No significant difference | No significant difference | Information: No Information Frequency: No |

Key Message

- Biofortification is a promising & potentially costeffective solution to micronutrient deficiency in developing countries
- Impact: consumption of vitamin A orange fleshed sweet potato increases total vitamin A intake among women and children in Uganda and Mozambique

Acceptance:

(1) In several cases, biofortified varieties are preferred to local varieties even without information,
(2) Nutrition information is key (effect size: 5 – 34%)

Key Message

Breeding

- Experimental field production data + sensory evaluation (consumption) data are pivotal to most recent crop releases

Targeted Delivery, Marketing & Promotion are required

Context specific implications for crop development, marketing and delivery activities

- Dissemination: Which region? partner? What branding work?
- In Zambia: it is potentially less costly to go with radio
- In Rwanda: Repeated messaging increases impact & reduces discount for the white bean variety by 84%
- Endorsement by local political leader not significant

We thank you!!

